

LISKOW & LEWIS

A PROFESSIONAL LAW CORPORATION

ATTORNEYS AT LAW

ONE SHELL SQUARE
701 POYDRAS STREET, SUITE 5000
NEW ORLEANS, LOUISIANA 70139-5099
TELEPHONE (504) 581-7979
FACSIMILE (504) 556-4108 • (504) 556-4109

822 HARDING STREET
P.O. BOX 52008
LAFAYETTE, LOUISIANA 70505-2008
TELEPHONE (337) 232-7424
FACSIMILE (337) 267-2399

FIRM@LISKOW.COM
WWW.LISKOW.COM

Lafayette, Louisiana
May 2, 2003

Honorable James H. Welsh
Commissioner of Conservation
Office of Conservation
Post Office Box 94275
Baton Rouge, LA 70804-4275

Re: Cotton Valley Formation, Reservoir A
Gray Sand, Reservoir A
Ivan Field
Bossier Parish, Louisiana

Dear Commissioner Welsh:

Application is hereby made on behalf of **KERR-McGEE OIL & GAS ONSHORE LLC**, for the calling of a public hearing, after ten (10) days legal notice, to consider evidence relative to the issuance of an Order pertaining to the following matters relating to the Cotton Valley Formation, Reservoir A, in the Ivan Field, Bossier and Webster Parishes, Louisiana, for which rules and regulations were established and drilling and production units were created for the exploration for and production of oil, gas and/or condensate by the 269-D Series of Office of Conservation Orders, including the unit designated CV RA SUI:

GENE W. LARITTE
LEON J. REYNOLD, JR.
J. BENNY ST. JOHN, JR.
DONALD R. ABAUNZA
JOHN M. WILSON
LAWRENCE P. SIMON, JR.
S. GENE FENDLER
JOHN D. WOGAN
MAURICE C. HEBERT, JR.
GEORGE H. ROBINSON, JR.
MARILYN C. MALONEY
JOSEPH C. GIGLIO, JR.
PATRICK W. GRAY
ROBERT E. HOLDEN
JOE S. NORMAN
THOMAS M. McRAMARA
JAMES N. MANSFIELD III
BILLY J. DOMINGUE
PHILIP K. JONES, JR.
WILLIAM W. PUGH
CHARLES S. GRIFFIS
RICHARD W. REVELS, JR.
JOSEPH P. HEBERT
MARGUERITE L. ADAMS †
DAVID W. LEEPE

WM. BLAKE BENNETT
MARK A. LOWE
GEORGE DENEGRE, JR.
DON K. HAYGRAFT
CRAIG WYMAN
JAMES A. BROWN
R. KEITH JARRETT
STEVEN M. WALTHER
ROBERT S. ANGELICO •
ROBERT L. THERIOT
DENA L. OLIVER
GEORGE ARCENEAUX III
MARIE BREAUX
RANDY C. SNYDER
JONATHAN A. HUNTER
THOMAS P. DIAZ
MARY S. JOHNSON
SHAUN G. CLARKE
JAMES C. BENOICE •
THOMAS J. McGOVEY II
SCOTT C. SEILER
CHERYL MOLLERE KORNICK
MARK D. LATHAM
JOHN C. ANJIER
G. C. BLAWSON, JR.

CULLEN R. LISKOW
AUSTIN W. LEWIS

(1993-1971)
(1910-1974)

SHANNON S. HOLTZMAN
CAROL WELBORN REISMAN
MATT JONES
DAVID L. REISMAN
JILL THOMPSON LOSCH
MICHAEL D. RUBENSTEIN
HAROLD J. FLANAGAN
GREG L. JOHNSON
JAMIE D. RHYMES
KRISTINA DELUNA MILLER
RENE WEBB PENNINGTON
BRETT D. WISE
JOHN A. LOVETT
KYLE P. POLOZOLA
MARY C. HESTER †
THOMAS BERON
J. PATRICK MORRIS, JR.
E. JANE ROLLING
MARK A. JOHNSON
ELISE MAYERS BOUCHNER
JANA L. GRAUBERGER
SHAWN C. RHYMES
K. TODD WALLACE
MAURY C. HEBERT
MICHAEL A. GOLEMI

JANINE V. HODGES
JASON P. BERGERON
CHADWICK J. MOLLERE •
KELLY T. SCALISE
DANA M. DOUGLAS
NATHAN S. ABERGROMBIE
H.S. BARTLETT III
JAMES H. DUPLUIS, JR.
KELLY BRECHTEL BECKER

Of Counsel
CHARLES C. GEMILLION
THOMAS D. HARDEMAN
THOMAS S. LEMANN

† Board Certified Estate Planning
and Administration Specialist

* Board Certified Tax Specialist

♦ Registered Patent Attorney

May 2, 2003

LISKOW & LEWIS
A PROFESSIONAL LAW CORPORATION

Page 2

4. To approve the downhole combination of production from the CV RA SUI and GRAY RA SUI in the wellbore of the Kerr-McGee – Hartman 27 No. 1 Well as provided in Office of Conservation Order No. 269-2, effective May 23, 1978.

5. Except to the extent herein set forth, to continue in full force and effect the provisions of the 269-D Series of Office of Conservation Orders and the units created thereby.

6. To consider such other matters as may be pertinent.

The Cotton Valley Formation, Reservoir A, in the Ivan Field, Bossier and Webster Parishes, Louisiana, was fully defined in Office of Conservation Order No. 269-D, effective October 8, 1976.

The Gray Sand, Reservoir A, in the Ivan Field, Bossier Parish, Louisiana, was previously defined in Office of Conservation Order No. 269-C-1, effective August 6, 1976.

The proposed alternate unit well for the CV RA SUI will permit efficient and economic recovery of hydrocarbons underlying the unit and is needed to satisfy the market demand for gas and condensate from the field. The Hartman 27 No. 1 was designated alternate unit well for the GRAY RA SUI in Office of Conservation No. 269-C-15, effective April 17, 2001. Kerr-McGee plans to complete this well in the Cotton Valley Formation in addition to the Gray Sand and seeks permission to downhole combine production from the two units in which ownership is identical. Office of Conservation Order No. 269-2, effective May 23, 1978, provides that administrative approval for such practice may be granted in this situation.

Attached hereto and made a part hereof is a plat outlining the applicant's proposal along with a list of the names and addresses of the Interested Owners, Represented Parties and Interested Parties to whom a copy of this application is being sent. Pursuant to the Revised Rules of Procedure, such list of parties is being furnished only to the Commissioner of Conservation and to the District Manager of the Shreveport District of the Office of Conservation; however, the list of parties will be provided to any party requesting a copy of it. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

Finally, enclosed herewith is our check on behalf of the applicant in the amount of \$1,510.00.00 made payable to the Office of Conservation representing the required hearing application fee.

